

Department of Finance

STARS Number & Budget Unit: 250 FIAA

Bill Number & Chapter: H735 (Ch.39), H786 (Ch.279), H805 (Ch.282)

PROGRAM DESCRIPTION: The Department of Finance regulates the enterprises in this state that provide financial services to Idaho consumers. It protects Idaho consumer buyers and borrowers against unfair lending and collection practices, and protects Idaho investors against deceptive and fraudulent investment practices. [Statutory Authority: Idaho Code §67-2701 et seq.]

| DIVISION SUMMARY: | FY 2003 Total Appr | FY 2003 Actual | FY 2004 Total Appr | FY 2005 Request | FY 2005 Gov Rec | FY 2005 Approp |
|--------------------------------------|-------------------------------|---------------------------|-------------------------------|----------------------------|----------------------------|---------------------------|
| BY FUND SOURCE | | | | | | |
| Dedicated | 3,349,600 | 2,984,600 | 3,443,800 | 3,624,600 | 3,637,100 | 3,637,100 |
| Percent Change: | | (10.9%) | 15.4% | 5.3% | 5.6% | 5.6% |
| BY EXPENDITURE CLASSIFICATION | | | | | | |
| Personnel Costs | 2,589,300 | 2,305,300 | 2,626,000 | 2,755,400 | 2,779,800 | 2,779,800 |
| Operating Expenditures | 673,600 | 647,600 | 712,800 | 760,200 | 748,300 | 748,300 |
| Capital Outlay | 86,700 | 31,700 | 105,000 | 109,000 | 109,000 | 109,000 |
| Total: | 3,349,600 | 2,984,600 | 3,443,800 | 3,624,600 | 3,637,100 | 3,637,100 |
| Full-Time Positions (FTP) | 43.00 | 43.00 | 43.00 | 44.00 | 44.00 | 44.00 |

In accordance with Idaho Code §67-3519, this agency is authorized no more than 44.00 full-time equivalent positions at any point during the period July 1, 2004 through June 30, 2005 for the programs specified.

| DECISION UNIT SUMMARY: | FTP | General | Dedicated | Federal | Total |
|--|--------------|----------------|------------------|----------------|------------------|
| FY 2004 Original Appropriation | 43.00 | 0 | 3,443,800 | 0 | 3,443,800 |
| Removal of One-Time Expenditures | 0.00 | 0 | (135,000) | 0 | (135,000) |
| FY 2005 Base | 43.00 | 0 | 3,308,800 | 0 | 3,308,800 |
| Personnel Cost Rollups | 0.00 | 0 | 52,600 | 0 | 52,600 |
| Replacement Items | 0.00 | 0 | 136,500 | 0 | 136,500 |
| Nonstandard Adjustments | 0.00 | 0 | (35,000) | 0 | (35,000) |
| Change in Employee Compensation | 0.00 | 0 | 48,200 | 0 | 48,200 |
| FY 2005 Maintenance (MCO) | 43.00 | 0 | 3,511,100 | 0 | 3,511,100 |
| 1. Financial Examiner/Investigator | 1.00 | 0 | 70,000 | 0 | 70,000 |
| 2. Attorney General fee for paralegal | 0.00 | 0 | 56,000 | 0 | 56,000 |
| FY 2005 Total Appropriation | 44.00 | 0 | 3,637,100 | 0 | 3,637,100 |
| Change From FY 2004 Original Approp. | 1.00 | 0 | 193,300 | 0 | 193,300 |
| % Change From FY 2004 Original Approp. | 2.3% | | 5.6% | | 5.6% |

APPROPRIATION HIGHLIGHTS: Personnel benefit costs were funded. No inflationary increases were funded. One-time replacement items included \$34,000 in operating expenses (software upgrades) and \$102,500 in capital outlay (\$50,000 for 10 PCs, \$20,500 for 2 servers, \$12,000 for 3 printers, and \$20,000 for 1 vehicle). Nonstandard adjustments reflect changes in Attorney General, Controller and Treasurer fees, and risk management rates. A 2% Change in Employee Compensation (CEC) increase was fully funded, with an additional one-time 1% CEC contingent upon a prescribed ending balance in the General Fund at the end of fiscal year 2004 (H805). Two enhancements were funded. The first provides 1 FTP and \$70,000 for a Financial Examiner/Investigator position. The second provides \$56,000 in dedicated fund spending authority to pay for Attorney General expenses related to a new paralegal position which will be assigned to the Department. There is a corresponding enhancement request for 1 FTP and \$56,000 in General Funds in the Attorney General's budget. In the first year, the Attorney General will bill the Department for costs associated with the new position, which is why the additional spending authority was needed. In subsequent years, the General Fund will be reimbursed through the statewide cost allocation plan.

OTHER LEGISLATION: H786 is the FY 2005 appropriation for the Attorney General.

| FY 2005 APPROPRIATION: | FTP | Pers. Cost | Oper Exp | Cap Out | T/B Pymnts | Lump Sum | Total |
|-------------------------------|------------|-------------------|-----------------|----------------|-------------------|-----------------|--------------|
| D 0229-00 State Regulatory | 44.00 | 2,779,800 | 714,300 | 0 | 0 | 0 | 3,494,100 |
| OT D 0229-00 State Regulatory | 0.00 | 0 | 34,000 | 109,000 | 0 | 0 | 143,000 |
| Totals: | 44.00 | 2,779,800 | 748,300 | 109,000 | 0 | 0 | 3,637,100 |